

ATTORNEYS AT LAW

RALEIGH OFFICE

3200 BEECHLEAF COURT
SUITE 500
RALEIGH, NC 27604-1064
TELEPHONE 919.981.4000
TELEFAX 919.981.4300

MAILING ADDRESS
POST OFFICE BOX 19764
RALEIGH, NC 27619-9764

WWW.MAUPINTAYLOR.COM

Maupin Taylor P.A.

COPY

December 7, 2006

REPLY TO RALEIGH OFFICE

AMOS C. DAWSON, III

adawson@maupintaylor.com

919.981.4010

Dennis J. O'Grady, Esq.
J. Alex Kress, Esq.
Mark E. Hall, Esq.
Riker, Danzig, Scherer, Hyland & Peretti, LLP
Headquarters Plaza
One Speedwell Avenue
Morristown, NJ 07962

Re: Motion of G-I Holdings, Inc. Pursuant to Bankruptcy Rule 9019 and
Bankruptcy Code § 363 for an Order Approving Settlement Agreement
and Authorizing the Sale of Insurance Policies Free and Clear of Liens,
Claims, Interests and Other Encumbrances
United States Bankruptcy Court, District of New Jersey
Case Nos. 01-30135 and 01-38790

Dear Messrs. O'Grady, Kress and Hall:

We represent the Seaboard Group II, a group of potentially responsible parties overseeing the environmental remediation of the Former Seaboard Chemical Corporation hazardous waste facility in Jamestown, NC known as the "Seaboard Site." Seaboard Group II is an unsecured creditor in the above referenced bankruptcy proceeding of G-I Holdings, Inc. Seaboard Group II has received notice of the Motion of G-I Holdings, Inc. in the above referenced case for an Order Approving Settlement Agreement and Authorizing the Sale of Insurance Policies Free and Clear of Liens, Claims, Interests and Other Encumbrances.

The information provided in said Motion does not provide the Group with adequate notice of the proposed compromise as required by BR 9019. The terms of the proposed settlement for which bankruptcy approval is sought are alleged to be confidential. No information is provided to support the Policyholders' Allocation of this Settlement Amount

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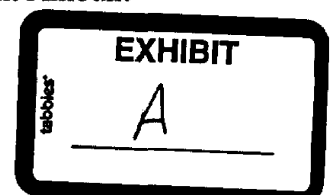
RTP OFFICE

480 BETA BUILDING
HEADQUARTERS PARK
2222 CHAPEL HILL-NELSON HWY.
DURHAM, NC 27713
TELEPHONE 919.361.4900
TELEFAX 919.361.2262

MAILING ADDRESS
POST OFFICE BOX 13646
RESEARCH TRIANGLE PARK, NC
27709-3646

WILMINGTON OFFICE

LANDFALL PARK NORTH
1985 EASTWOOD ROAD
SUITE 200
WILMINGTON, NC 28403
TELEPHONE 910.256.5135



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Dennis J. O'Grady, Esq.
J. Alex Kress, Esq.
Mark E. Hall, Esq.
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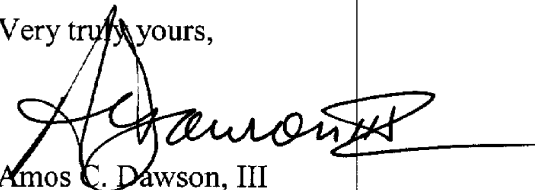
44.6% to G-I Holdings, Inc. and 55.4% to ISP. Seaboard Group II and similarly situated creditors are provided with essentially no meaningful information regarding the Settlement Amount or the Allocation Analysis.

Neither the Committee nor the Legal Representative, who are being provided the confidential information under a confidentiality agreement, adequately represents the interests of Seaboard Group II. Failure to provide Seaboard Group II with the information necessary for it to evaluate the fairness and reasonableness of the proposed settlement is fundamentally unfair.

Therefore, Seaboard Group II requests and demands that it be provided with copies of all settlement documents so that it can reasonably determine for itself whether the proposed settlement is fair and appropriate.

On behalf of Seaboard Group II, we request that the settlement documents be provided to us immediately so we can fairly determine the reasonableness of the proposed settlement. If you have any questions, please feel free to give us a call. With best wishes, we are

Very truly yours,



Amos C. Dawson, III
Holmes P. Harden
ATTORNEYS FOR SEABOARD GROUP II